IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No 127 and 128 of 2000

For Approval and Signature:

Hon'ble MR.JUSTICE K.M.MEHTA

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

MANGALYA EXPORTS LTD.

Versus

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Appearance:

MRS SWATI SOPARKAR for Petitioner

CORAM : MR.JUSTICE K.M.MEHTA

Date of decision: 20/06/2000

ORAL JUDGEMENT

1. These are the petitions filed by two companies viz. Avinash Information Technologies Private Limited (the Transferor Company) and Mangalya Exports Limited (the Transferee Company) for sanction of a scheme of amalgamation of the Transferor company with the Transferee Company under Section 391 read with Section

394 of the Companies Act, 1956.

2. The Transferor company is engaged in providing services in the field of Information Technology with concentration on export market. The Transferee Company is a listed company engaged in export-import business and have an expertise in global marketing. The petitions give details of the advantages that would flow by virtue of the amalgamation of these companies.

3. The proposed scheme of amalgamation was unanimously sanctioned by the Shareholders of both the Transferor and Transferee Company at the duly convened respective meetings held on 29.4.2000. The said Scheme was also approved at duly convened meetings as directed by this High Court vide the order dated 5.4.2000 passed in the respective company applications.

4. After the petitions were admitted they were duly advertised in the newspapers and the publication in the Government Gazette was dispensed with as directed in the order dated 2.5.2000. No one has come forward opposing sanction of the Scheme of Amalgamation.

5. Notice of the petitions has been served upon the Central Government and Smt. P.J.Davawala, Additional Standing Counsel appear for the Central Government. She has put on record of the Court the letter dated 16.6.2000 indicating that the Central Government does not propose to object to the scheme of amalgamation.

6. Notice of the petition of the Transferor Company have also been served upon the Official Liquidator as required under 2nd proviso to Section 392(1) of the Act and the Official Liquidator has filed his Report dated 19.6.2000 stating that the affairs of the Transferor Company have not been conducted in a manner prejudicial to its members or to public interest.

7. I have heard Smt. Swati Saurabh Soparkar, learned advocate for the petitioner companies. having gone through the petitions I am satisfied that amalgamation would be in the interest of the companies and their members and creditors. Under the circumstances the Scheme of Amalgamation (Annexure-C to the petition) is sanctioned. Prayers in terms of para 18-A in case of Company Petition No.127/2000 and Para 20(A) in case of Company Petition No. 128/2000 are hereby granted.

8. The petitions are disposed off according far as the costs to be paid to the Central Government

Standing Counsel is concerned, I quantify the same at Rs. 2,500/- (Rupees Two thousand and Five hundred only) per petition. The same is to be paid to Shri Akhaya H.Mehta and Smt. P.J.Davawala for one petition each.

(K.M.Mehta,J)

(Vipul)